Alberta Economy

Indicators at a Glance

Economic Activity

The Alberta Activity Index held steady in April and has climbed 7.6% since its May 2016 low. In 2016, Alberta's real GDP by industry fell by 3.8%, the largest drop among the provinces for the second year in a row.

Population

Alberta's population was 4,291,980 as of April 1, 2017, an increase of 1.4% from the year prior. Canada's population grew 1.2% from a year ago.

Migration

Net migration to Alberta was 4,693 in the first quarter of 2017. During this time, Alberta welcomed 7,085 net international migrants. However, there was a net outflow of interprovincial migrants (-2,392), the sixth consecutive quarterly decline.

Employment[1]

Alberta added 7,500 jobs in June. The gains were in part-time positions (+18,800) while full-time positions (-11,400) were down. Employment increased 2.2% year-over-year (y/y).

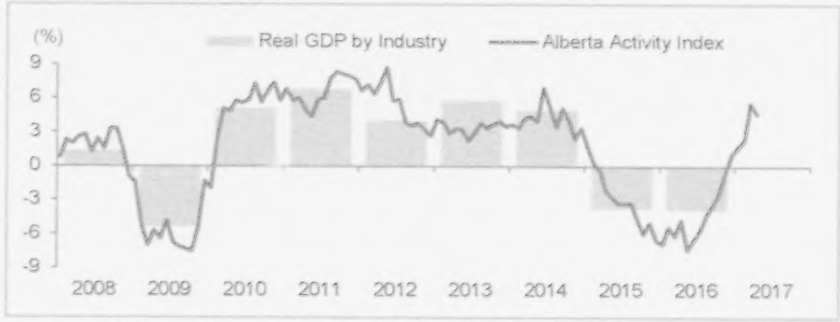
Unemployment Rate[1]

Alberta's unemployment rate ticked down 0.4 percentage points to 7.4% in June. Canada's unemployment rate went down to 6.5%.

Rigs Drilling

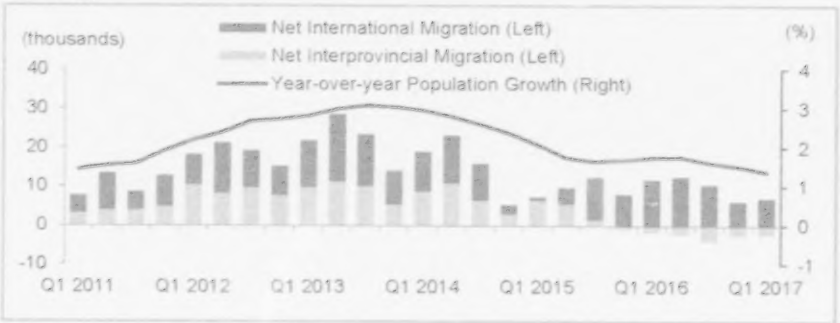
The number of active rigs in Alberta averaged 87 in June, 56% below the height of the winter drilling season in January but up 113% from the same month last year.

Economic Activity
Year-over-year % change



Sources: Statistics Canada and Alberta Treasury Board and Finance

Demographics
Quarterly



Source: Statistics Canada

Labour Market
Monthly

Source: Statistics Canada

Inflation

The Alberta Consumer Price Index (CPI) rose 0.4% y/y in June, down from 1.2% in May, as energy prices declined. The Canadian inflation rate also slowed in June to 1.0%.

NEW: Average Weekly Earnings[1]

Average weekly earnings (AWE) in Alberta fell by 0.4% in May to $1,120, with both goods (-1.4% m/m) and service sector earnings (-0.1% m/m) declining.

Retail Sales[1]

Alberta retail sales increased by 1.6% m/m to $6.8 billion in May. Retail sales grew 9.0% y/y, the sixth consecutive month of year-over-year gains.

Housing Starts[1]

Alberta housing starts were down 5.3% m/m in June to 30,839 units (annualized). Housing starts increased 27% y/y. Single-family starts rose 51% y/y and multi-family starts were up 21% y/y.

New Housing Price Index

Alberta's New Housing Price Index (NHPI) edged down 0.2% in May and was down 0.8% y/y. The house-only component was down 1.2% y/y, while land prices were unchanged from the year prior.

Building Permits[1]

Alberta building permits increased 18% m/m in May to $1.2 billion. Building permits were up 16% y/y. Non-residential permits dropped 5.3% y/y and residential permits increased 34% y/y.

[1] Seasonally adjusted

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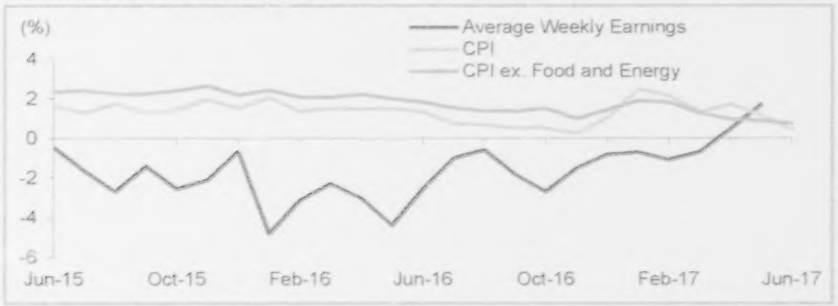
Inflation and Earnings
Monthly, year-over-year % change

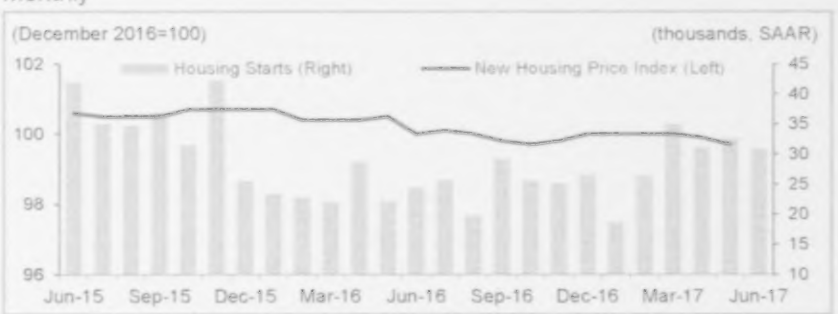


Source: Statistics Canada

Retail Sales
Monthly, year-over-year % change

Source: Statistics Canada

Housing Market
Monthly

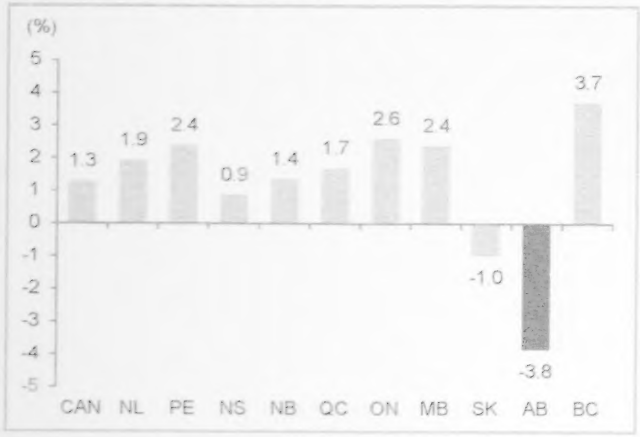


Source: Statistics Canada, Canada Mortgage and Housing Corporation

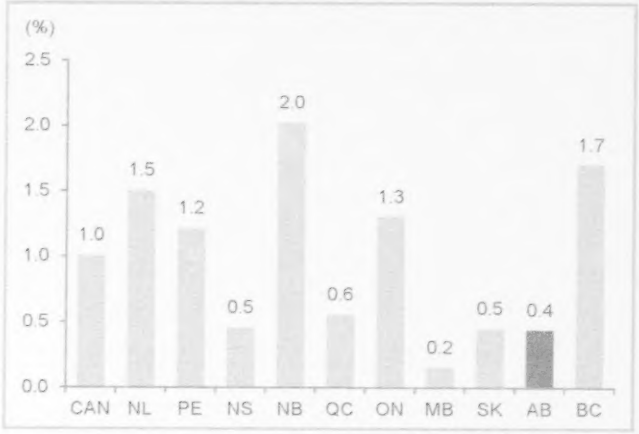
	Canadian Dollar (USc/$CAN)	WTI Oil ($US/bbl)	NYMEX Natural Gas ($US/MMBtu)	Alberta Reference Price ($C/GJ)
Latest (July 27, 2017)	79.81	49.04	2.97	2.46 (Mar)
Fiscal year-to-date	78.36	47.74	3.18	2.40

Please see the *Weekly Economic Review* for current analysis on the Alberta economy.

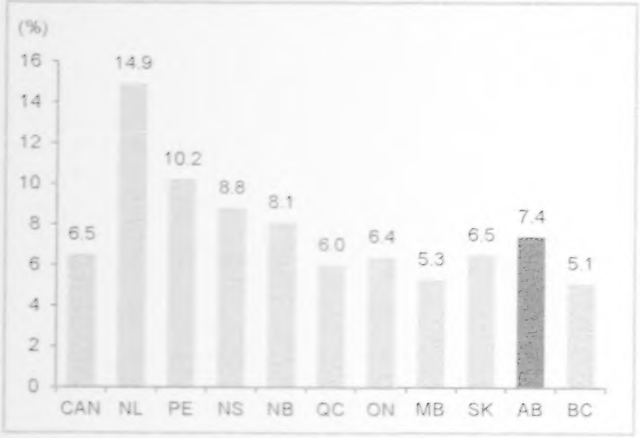
Real GDP by Industry
(2016, year-over-year growth)



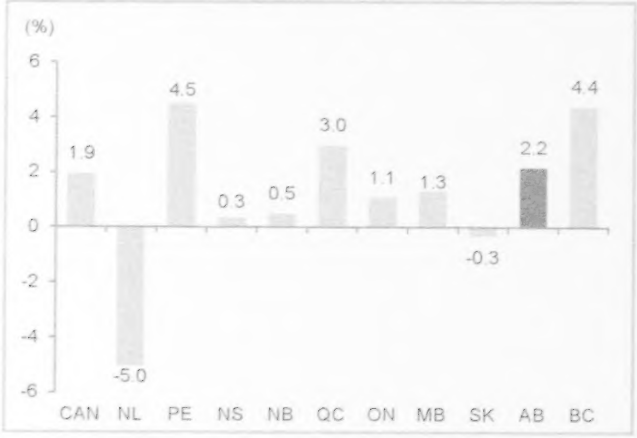
CPI Inflation
(June 2017, year-over-year growth)



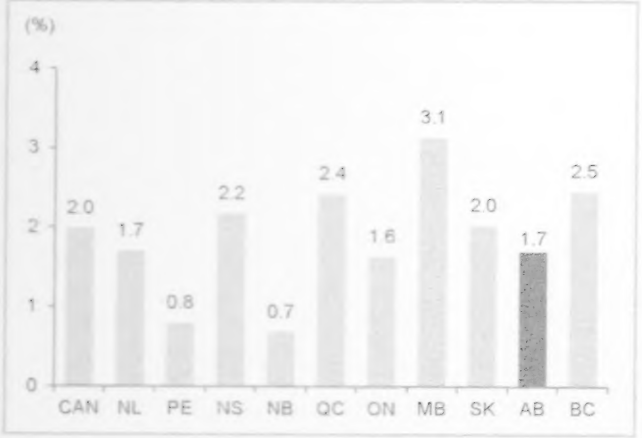
Unemployment Rate
(June 2017)



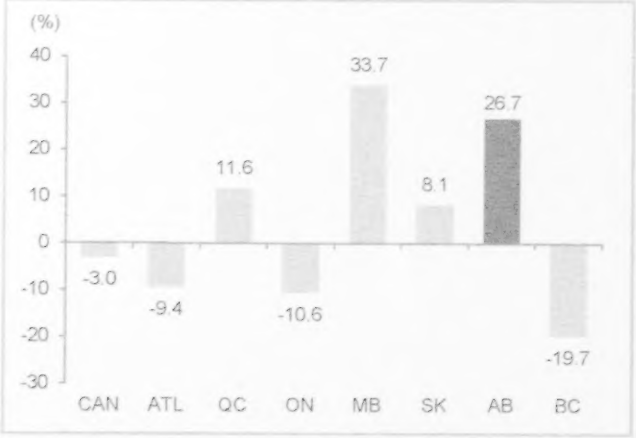
Employment
(June 2017, year-over-year growth)



Average Weekly Earnings
(May 2017, year-over-year growth)



Housing Starts
(June 2017, SAAR, year-over-year growth)



Alberta Economic Indicators

	2015	2016	2017YTD	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17
Alberta Activity Index (y/y % change)	3.0	-4.4	3.6	1.7	2.3	5.6	4.6		
Population[1]									
Population (thousands)	4,180	4,293	4,292	4,280			4,292		
y/y % change	1.7	1.8	1.4	1.5			1.4		
Net Interprovincial Migration	21,594	2,877	-8,815	-2,573			-2,392		
Net International Migration	16,743	43,041	23,657	6,136			7,085		
Labour Market									
Employment (thousands, SA)	2,301	2,264	2,284	2,269	2,269	2,280	2,289	2,291	2,294
m/m change (thousands)				0.2	1.3	10.4	0.3	2.1	7.5
y/y % change	1.2	-1.6	0.7	-0.1	0.2	0.1	0.8	1.6	2.2
Unemployment Rate (%, SA)	6.0	8.1	8.1	8.5	8.5	8.4	7.9	7.8	7.4
Participation Rate (%, SA)	73.0	72.5	72.7	72.9	72.5	73.1	72.7	72.5	72.4
NEW Average Weekly Earnings ($, SA)	1,146	1,119	1,117	1,111	1,109	1,119	1,125	1,120	
y/y % change	-0.5	-2.4	-0.1	0.7	1.1	0.2	0.5	1.7	
Household Sector									
Retail Sales ($ million, SA)	76,019	75,110	23,498	6,650	6,674	6,650	6,707	6,891	
y/y % change	-4.0	-1.2	7.5	7.5	7.0	7.5	6.5	9.6	
New Vehicle Sales (units, thousands)	242	224	102	15	27	23	14	24	
y/y % change	12.7	-7.6	12.0	3.4	5.4	18.1	15.0	17.2	
Consumer Price Index (y/y % change)	1.1	1.1	1.5	2.5	2.2	1.3	1.7	1.2	0.4
Excluding Food & Energy	2.3	1.7	1.3	1.4	1.8	1.4	1.0	0.9	0.7
Housing Starts (SAAR, 000s)	37.3	34.5	29.1	18.6	26.4	36.0	31.1	22.6	30.8
y/y % change	8.1	-34.2	21.8	30.2	15.9	5.7	8.6	47.5	26.7
New Housing Price Index (y/y % change)	0.7	0.5	0.6	0.7	0.4	0.4	0.5	0.8	
Resale Home Sales	56,225	51,953	28,497	4,754	4,974	4,790	4,914	4,545	4,620
y/y % change	21.3	-7.6	11.7	17.8	24.7	18.5	15.0	4.5	3.3
Sales to New Listing Ratio	0.52	0.49	0.51	0.52	0.57	0.53	0.51	0.45	0.45
MLS Average Resale Prices ($ thousands)	394	395	399	390	390	401	401	402	405
y/y % change	1.9	0.4	2.7	2.2	0	4.0	3.6	5.3	3.9
Consumer Bankruptcies (level)	4,260	5,427	1,726	530	426	504	407		
y/y % change	10.9	26.8	8.5	6.3	11.8	6.1	18.6		
Business Sector									
Goods Exports (volume based, $ million)	92,441	79,134	43,310	8,546	8,102	8,229	8,409	8,955	
y/y % change	-24.0	-14.4	45.7	19.4	30.2	61.8	56.7	50.1	
Energy Products ($ million)	62,500	51,780	30,579	6,235	6,041	6,077	5,752	6,204	
y/y% change	-31.5	-17.2	86.8	30.1	64.5	91.9	82.6	81.1	
Agriculture Products ($ million)	6,474	6,269	5,174	681	527	606	810	708	
y/y % change	0.2	-3.2	18.2	30.7	6.1	22.3	0.3	31.0	
Rigs Drilling	120	79	128	130	168	148	85	61	87
y/y% change	-52.6	-34.0	106.0	66.7	61.0	207.6	193.9	143.7	112.8
Manufacturing Shipments ($ million, SA)	68,483	62,560	29,362	5,641	5,749	5,883	6,011	6,089	
y/y% change	13.9	-8.6	16.3	13.0	16.3	17.8	16.0	18.4	
NEW Wholesale Trade ($ million, SA)	79,360	71,765	32,201	6,216	6,361	6,476	6,474	6,764	
y/y% change	6.3	9.6	7.7	1.0	6.2	8.8	9.2	16.3	
Building Permits ($ million, SA)	16,753	14,200	6,636	1,221	1,117	1,117	1,002	1,164	
y/y% change	6.2	-15.2	4.9	1.0	-32.1	10.0	27.7	16.1	
Residential Permits ($ million, SA)	9,876	7,930	3,591	675	661	685	662	747	
y/y % change	8.6	-19.7	12.0	1.6	1.7	30.7	1.8	33.6	
Non-Residential Permits ($ million, SA)	6,877	6,270	2,245	546	456	417	340	417	
y/y% change	7.4	-8.8	20.9	22.9	41.8	17.1	-43.6	5.3	
Non-Res Building Cons. Price Index* (y/y % change)	0.7	-3.8	-0.9			-0.9			

[1] Population data presented on a census year basis (July 1– June 30). The current census year 2017.

[2] Quarterly, average of Calgary and Edmonton

YTD YTD (year-to-date). "SA" denotes seasonally adjusted. "SAAR" denotes seasonally adjusted at annual rate.

Sources: All data is from Statistics Canada except the Alberta Activity Index (Alberta Treasury Board and Finance), Housing Starts (Canada Mortgage and Housing Corporation), MLS Average Resale Prices (Canadian Real Estate Association), Rigs Drilling (Canadian Association of Oilwell Drilling Contractors) and Bankruptcies (Office of the Superintendent of Bankruptcy Canada).All historical data are subject to revision